## REMARKS/ARGUMENTS

Pending claims 1-2, 5-6, 8-9, 12-16 and 18 stand rejected under 35 U.S.C. § 102(e) over U.S. Patent Application No. 2001/0046304 (Rast). Applicant respectfully traverses the rejection. While these claims all stand rejected under 35 U.S.C. § 102(e) over Rast, all the Office Action does with respect to setting forth an anticipation rejection is to list in seriatim a number of paragraphs from Rast. There is no setting forth of a proper anticipation rejection. For this reason alone, the rejection of these claims is improper.

Applicant respectfully submits that this rejection is improper as presently stated, as the Office Action did not set forth with any particularity the basis for such rejection. Under MPEP § 707.07(d), the "ground of rejection [should be] fully and clearly stated." Furthermore, if a claim is rejected as too broad, "the reason for so holding should be given..." Id. Additionally, "[a]n omnibus rejection of the claim 'on the references and for the reasons of record' is stereotyped and usually not informative....." Id. The Office Action did not include any such reason for the rejections over these references, and there are no reasons previously on record. Accordingly, Applicant is left without any information as to why the Examiner contends Rast anticipates the claims.

As no such explanation of the rejection was provided in the Office Action, it is impossible for Applicant to fully respond. Furthermore, it would be improper for the Examiner to issue a final Rejection in response to this Response to Office Action, as there is "no clear issue" developed between Examiner and Applicant with respect to this rejection as required by MPEP § 706.07.

Nevertheless, Applicant respectfully submit that these pending claims are patentable over Rast. As to amended claim 1, Rast nowhere teaches, at least, a control unit that receives data from a storage unit and generates a first audio signal therefrom for output to a speaker of a portable device. In this regard, the only data stored in the system of Rast with respect to audio data are stored selection criterion corresponding to triggers of particular sounds in an ambient environment. E.g., Rast, ¶17-18. Accordingly, Rast further fails to teach combination of such a first audio signal along with a second audio signal generated to reduce an undesirable audio signal. For at least these reasons, claim 1 and its dependent claims are patentable over Rast.

As to independent claim 8, Rast nowhere teaches combining of two audio signals in a portable device, where an analog audio signal converted from an audio signal stored in a storage

unit of a portable device is combined with a second audio signal generated to reduce undesirable sound. As described above, Rast nowhere teaches storage of an audio signal that is then combined with a generated audio signal. Accordingly, claim 8 and its dependent claims are patentable over Rast.

As to claim 13, for similar reasons Rast fails to teach combination of a first audio signal with a generated audio signal, where the first audio signal is received from a storage and the generated audio signal is generated to reduce an undesirable audio signal, where the generated audio signal is generated based on at least a portion of a second audio signal received by a sensor. Accordingly, claim 13 and its dependent claims are patentable.

Claims 19-27 and 30-38 stand rejected under 35 U.S.C. §103(a) over U.S. Patent Application No. 2002/0013784 (Swanson) in view of Rast. Applicant respectfully traverses the rejection. As to claim 19, neither reference teaches or suggests a wireless phone that includes a storage medium to store at least one audio file. In this regard, Swanson merely discloses a cellular phone that can communicate data received from a server of a service provider. For teaching of a storage medium, the Office Action points to portions of Swanson referring to a storage unit at a user's PC or a service provider. Office Action, p. 3. However, such storage units have no bearing on the claimed storage medium of claim 19, which is a storage medium of a wireless phone. Nor does either reference teach or suggest the claimed combining of claims 19 and 26. For at least these reasons, the rejection of these claims is overcome.

Furthermore, the primary reference Swanson merely teaches a cellular telephone. Nowhere however does Swanson (or Rast) teach or suggest a control unit of the cell phone that combines first and second audio signals and provides the combined signal to a speaker of the cell phone. Nor is there any reason to combine Swanson with Rast. In this regard, the Office Action merely indicates that the headphones of Rast can be programmed using downloaded data from a source such as a telephone. Office Action, p. 3. While this may be so, nowhere does Rast teach or suggest that this phone is a wireless phone, nor is there any motivation in either reference to combine their teachings. That is, Rast merely teaches that to download stored selection criteria, a phone may be used. Rast, ¶19. Swanson, on the other hand is merely directed to a cellular phone that can be used in an audio data transmission system that includes cellular phones as receivers of transmissions. Even if combined, the references fail to meet the claimed subject matter.

In light of these disparate references, the Office Action has engaged in the hindsightbased obviousness analysis that has been widely and soundly disfavored by the Federal Circuit. In order to prevent a hindsight-based obviousness analysis, "to establish obviousness based on a combination of the elements disclosed in the prior art, there must be some motivation, suggestion or teaching of the desirability of making the specific combination that was made by the applicant." In re Kotzab, 55 U.S.P.Q.2d 1313, 1316-17 (Fed Cir. 2000). This requirement is lacking here. Instead, with respect to claims 19-27 and 30-38, the Office Action contains no factual support for the motivation, suggestion, or teaching of the manner in which Swanson and Rast must be modified to render obvious these claims. The conclusory statement that "it would have been obvious to incorporate the noise reduction elements of the headset as taught by Rast into the telephone of Swanson in order to have better communication quality" (Office Action, p. 3) fails to adequately set forth a proper motivation to combine. See In re Lee, 61 U.S.P.Q.2d 1430, 1435 (Fed. Cir. 2001). Because the Office Action fails to adduce any factual findings that would support a motivation for, or suggestion of, the combination of Swanson and Rast or the alchemy by which they might be modified to yield the subject matter of claims 19-27 and 30-38, a prima facie case of obviousness has not been made, and the claims are patentable over the proposed combination for this further reason.

In view of these remarks, the application is now in condition for allowance and the Examiner's prompt action in accordance therewith is respectfully requested. The Commissioner is authorized to charge any additional fees or credit any overpayment to Deposit Account No. 20-1504.

Respectfully submitted,

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